

First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 13-0557.01 Bart Miller x2173

HOUSE BILL 13-1054

HOUSE SPONSORSHIP

Melton and Exum,

SENATE SPONSORSHIP

Tochtrop,

House Committees

Business, Labor, Economic, & Workforce Development

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING LESSENING THE REDUCTION OF UNEMPLOYMENT**
102 **INSURANCE BENEFITS REQUIRED WHEN A CLAIMANT**
103 **WITHDRAWS AMOUNTS FROM A RETIREMENT PLAN AS A RESULT**
104 **OF UNEMPLOYMENT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Under current law, if an unemployment claimant withdraws any amount from a retirement plan contributed to by an employer, the amount

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
February 11, 2013

HOUSE
2nd Reading Unamended
February 7, 2013

of the claimant's full balance in the plan is used to determine the length of time the claimant will not be eligible to receive unemployment insurance benefits, delaying benefits for individuals otherwise entitled to benefits because of job separation. The bill clarifies that only the amount withdrawn from the retirement plan by the claimant, and not the total balance in the plan, is considered in determining the length of time the claimant is not eligible to receive benefits.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 8-73-110, **amend** (3)

3 (a) (III) as follows:

4 **8-73-110. Other remuneration - definitions.** (3) (a) (III) When
5 an individual receives a lump-sum retirement payment from a plan, fund,
6 or trust that has been contributed to by a base period employer and ~~such~~
7 ~~THE~~ payment does not meet all of the criteria established in subparagraph
8 (II) of this paragraph (a), then ~~such individual shall be determined to have~~
9 ~~received, from the date the payment was received by the individual, the~~
10 ~~individual's full-time weekly wage for a number of consecutive weeks~~
11 ~~equal to the total amount of the lump-sum retirement payment, divided by~~
12 ~~the full-time weekly wage~~ THE DIVISION SHALL POSTPONE THE
13 INDIVIDUAL'S BENEFITS FOR A NUMBER OF CALENDAR WEEKS EQUAL TO
14 THE GROSS AMOUNT OF THE LUMP-SUM PAYMENT DIVIDED BY THE
15 INDIVIDUAL'S FULL-TIME WEEKLY WAGE. HOWEVER, WHEN AN INDIVIDUAL
16 RECEIVES A LUMP-SUM RETIREMENT PAYMENT FROM A PLAN, FUND, OR
17 TRUST AS DESCRIBED IN THIS SUBPARAGRAPH (III), BUT ONLY REINVESTS
18 A PORTION OF THAT PAYMENT AS REQUIRED IN SUBPARAGRAPH (II) OF THIS
19 PARAGRAPH (a), OR WHEN AN INDIVIDUAL OTHERWISE WITHDRAWS AN
20 AMOUNT FROM A PLAN, FUND, OR TRUST THAT IS LESS THAN THE TOTAL
21 LUMP SUM OF THE ACCOUNT, THEN THE DIVISION SHALL CONSIDER ONLY
22 THE PORTION THAT IS RECEIVED BUT NOT REINVESTED PURSUANT TO

1 SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) IN DETERMINING THE NUMBER
2 OF CALENDAR WEEKS THAT THE INDIVIDUAL'S BENEFITS ARE POSTPONED.

3 **SECTION 2. Effective date - applicability.** This act takes effect
4 upon passage and applies to unemployment insurance claims on or after
5 said date.

6 **SECTION 3. Safety clause.** The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, and safety.